



NEWFOUNDLAND AND LABRADOR
BOARD OF COMMISSIONERS OF PUBLIC UTILITIES
120 Torbay Road, P.O. Box 21040, St. John's, Newfoundland and Labrador, Canada, A1A 5B2

E-mail: traceypennell@nlh.nl.ca

2016-09-08

Ms. Tracey Pennell
Senior Counsel
Newfoundland and Labrador Hydro
P.O. Box 12400
Hydro Place, Columbus Drive
St. John's, NL A1B 4K7

Dear Ms. Pennell:

**Re: Newfoundland and Labrador Hydro – 2017 Capital Budget Application
Requests for Information**

Enclosed are Information Requests PUB-NLH-001 to PUB-NLH-020 regarding the above-noted application.

If you have any questions, please do not hesitate to contact the Board's Legal Counsel, Ms. Jacqui Glynn, by email, jglynn@pub.nl.ca or telephone (709) 726-6781.

Yours truly,

Cheryl Blundon
Board Secretary

rr

Enclosure

ecc **Newfoundland & Labrador Hydro**
Mr. Geoff Young, E-mail: gyoung@nlh.nl.ca
NLH Regulatory, E-mail: NLHRegulatory@nlh.nl.ca
Newfoundland Power Inc.
Mr. Gerard Hayes, E-mail: ghayes@newfoundlandpower.com
Mr. Liam O'Brien, E-mail: lobrien@curtisdawe.com
Consumer Advocate
Mr. Thomas Johnson, Q.C., E-mail: tjohnson@odeacarle.ca
Ms. Colleen Lacey, E-mail: clacey@odeacarle.ca
Industrial Customer Group
Mr. Paul Coxworthy, E-mail: pcoxworthy@stewartmckelvey.com
Mr. Dean Porter, E-mail: dporter@poolhealthouse.ca

Vale Newfoundland and Labrador Limited
Mr. Thomas O'Reilly, Q.C., E-mail: toreilly@coxandpalmer.com
Mr. Denis Fleming, E-mail: dfleming@coxandpalmer.com
Mr. Jason Callan, E-mail: jason.callan@vale.com
Praxair Canada Inc.
Ms. Sheryl Nisenbaum, E-mail: sheryl_nisenbaum@praxair.com
Mr. David Meade, E-mail: dave_meade@praxair.com
Teck Resources Limited
Mr. Larry Bartlett, E-mail: larry.bartlett@teck.com

1 **IN THE MATTER OF**

2 the *Electrical Power Control Act, 1994*,
3 SNL 1994, Chapter E-5.1 (the "*EPCA*")
4 and the *Public Utilities Act, RSNL 1990*,
5 Chapter P-47 (the "*Act*"), as amended, and
6 regulations thereunder; and
7

8 **IN THE MATTER OF**

9 an Application by Newfoundland and Labrador Hydro
10 for an Order approving:

- 11
- 12 1) its 2017 capital budget pursuant to s.41(1) of the *Act*;
 - 13 2) its 2017 capital purchases and construction projects in
14 excess of \$50,000 pursuant to s.41(3)(a) of the *Act*;
 - 15 3) its leases in excess of \$5,000 pursuant to s.41(3)(b)
16 of the *Act*;
 - 17 4) its estimated contributions in aid of construction for
18 2017 pursuant to s.41(5) of the *Act*.

**PUBLIC UTILITIES BOARD
REQUESTS FOR INFORMATION**

PUB-NLH-001 to PUB-NLH-020

Issued: September 8, 2016

1 **Tab B; Volume I: Capital Budget Summary With Multi Year Projects Separated**

2
3 **PUB-NLH-001** Page B-5 Multi-year Projects Commencing in 2017 shows the project
4 "*Replace Exciter Controls Units 1 to 6 – Bay d'Espoir*" with expenditures
5 only in 2017 and 2018 whereas the project report located at Tab 2 budgets
6 expenditures yearly until 2020. Please update the table on page B-5 to reflect
7 the multi-year expenditures for this project.
8

9 **PUB-NLH-002** Page B-6 Multi-year Projects Commencing in 2016 states the project
10 "*Upgrade Circuit Breakers – Various Sites (2016-2020)*" has expenditures
11 concluding in 2018. In Hydro's 2016 Capital Budget Application this project
12 had budgeted expenditures yearly until 2020. Please update the table on page
13 B-6 to reflect yearly expenditures for this previously approved project.
14

15
16 **C-80, Volume I: Replace Power Transformers**

17
18 **PUB-NLH-003** When in 2014 did the Oxen Pond grounding transformer fail?
19

20 **PUB-NLH-004** Please confirm that the justification for the replacement of the Oxen Pond
21 transformer is failure of the transformer, not a Degree of Polymerization of
22 cellulose insulation paper less than 400 or a poor dissolved gas analysis.
23

24 **PUB-NLH-005** In its 2015 Capital Budget, Hydro provided a list of planned work for
25 transformers in 2017, 2018 and 2019. Please provide an update on the work
26 initially planned for 2017, 2018 and 2019.
27

28
29 **C-89; Volume I: Replace Vehicles and Aerial Devices**

30
31 **Hydro states:**

32 "*All vehicles that meet the criteria are being replaced. In addition, one light duty vehicle*
33 *was added to the list because it met the replacement criteria.*"
34

35 **PUB-NLH-006** Please explain the statement "*In addition, one light duty vehicle was added to*
36 *the list because it met the replacement criteria.*"
37

38
39 **D-46; Volume I: Refurbish Sump Level System for Powerhouse 2**

40
41 **PUB-NLH-007** Please provide the source containing the different technologies for the
42 measurement of water levels in sump pits referenced as "*Error! Reference*
43 *source not found.*" on page D-53.

1 **Tab 3; Volume II: Water System Replacements – Bay d’Espoir and Cat Arm**

2
3 **Hydro states at page 16:**

4 “A cooling water study completed in 2002 concluded that the most effective solution
5 was to replace the existing fouled piping with corrosion and foul resistant stainless steel
6 pipe.”

7
8 **The 2002 study referenced was in relation to the Bay d’Espoir water systems for Units 1**
9 **through 6.**

10
11 **PUB-NLH-008** Please confirm if Hydro has conducted any follow up studies for the water
12 systems proposed to be replaced in the current application. If yes, please
13 provide a copy.
14

15
16 **Tab 12; Volume II: Install Asset Health Monitoring System**

17
18 **PUB-NLH-009** Is Hydro aware of any other utilities or jurisdictions that have installed Asset
19 Health Monitoring Systems?
20

21 **PUB-NLH-010** Please explain how Hydro will evaluate the benefits it expects to achieve
22 through the use of automated asset health monitoring systems.
23

24
25 **Tab 14; Volume II: Diesel Genset Replacements Port Hope Simpson and Charlottetown,**
26 **Labrador**

27
28 **PUB-NLH-011** Hydro states that diesel engines are normally refurbished every 20,000 hours
29 of operations. Please confirm that only one overhaul has been completed on
30 Unit 2073, which is listed as having 51,399 hours in Table 1, and provide an
31 explanation for the unit not being refurbished within Hydro’s maintenance
32 practices.
33

34 **PUB-NLH-012** Please provide a definition for refurbishment, rebuild and overhaul as related
35 to gensets.
36

37 **PUB-NLH-013** Hydro notes the total capacity of Charlottetown is 3,205 kW yet Hydro states
38 the firm capacity, as defined in Section 3.1.1, is 845 kW. Please explain why
39 the 910 kW and the 725 kW mobile gensets are not considered when
40 determining firm capacity.
41

42 **PUB-NLH-014** Please update the Single Line Diagrams in Appendix A and Appendix C to
43 reflect the existing genset ratings provided on page 8.

1 **Tab 16; Volume II: Transmission Line Upgrades**

2
3 **PUB-NLH-015** Please explain how Hydro ranks and selects which transmission lines to
4 upgrade in a given year.
5
6

7 **Tab 28; Volume III: Replace Automation Equipment – Mary’s Harbour**

8
9 **Hydro states:**

10 **3.2.5 Historical Information**

11 *“Hydro started a program in 2015 to replace 25 PLCs at 4 diesel plants due to*
12 *obsolescence. The first PLC replacements were completed at L’anse au Loup in 2015. Port*
13 *Hope Simpson will be completed in September 2016 and Hawke’s Bay and Ramea will be*
14 *completed in 2017.”*
15

16 **PUB-NLH-016** Is the proposed equipment replacement solely for automation purposes or does
17 it serve other requirements similar to those that would have justified the
18 projects noted in the Historical Information section of this proposal?
19

20 **PUB-NLH-017** Has Hydro performed a cost benefit analysis regarding the replacement of the
21 automation equipment?
22

23 **PUB-NLH-018** Is Hydro proposing to continue the automation of other diesel plants?
24
25

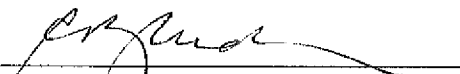
26 **Tab 21; Volume III: Line Depot Condition Assessment and Refurbishment Strategy**

27
28 **PUB-NLH-019** Page 9-10: Please explain why “demolition and removal costs of the existing
29 building” is listed as an additional cost item to refurbish the building but is
30 excluded as an additional cost item to replace the building.
31

32 **PUB-NLH-020** Page 9: Please provide details of operating and maintenance (life cycle) costs
33 to refurbish the building which are over and above what would be expected to
34 maintain a new building.

DATED at St. John’s, Newfoundland this 8th day of September, 2016.

BOARD OF COMMISSIONERS OF PUBLIC UTILITIES

Per 
Cheryl Blundon
Board Secretary